

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): March 26, 2020**

**Purple Innovation, Inc.  
(Exact Name of Registrant as Specified in its Charter)**

<b>Delaware</b> <b>(State of Incorporation)</b>	<b>001-37523</b> <b>(Commission File Number)</b>	<b>47-4078206</b> <b>(IRS Employer Identification No.)</b>
<b>123 East 200 North Alpine, Utah</b> <b>(Address of Principal Executive Offices)</b>		<b>84004</b> <b>(Zip Code)</b>

**Registrant's telephone number, including area code: (801) 756-2600**

**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencements communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Class A Common Stock, par value \$0.0001 per share	PRPL	The NASDAQ Stock Market LLC
Warrants to purchase one-half of one share of Class A Common Stock	PRPLW	OTC PINK

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **ITEM 7.01 REGULATION FD DISCLOSURE**

On March 26, 2020, Purple Innovation, Inc. (the “Company”) issued a press release announcing a number of actions in response to continued spread of novel coronavirus (“COVID-19”). A copy of the Company’s press release is attached as Exhibit 99.1 to this report and incorporated by reference.

### *2020 Earnings Guidance Update*

Due to the heightened uncertainty relating to the full potential impact of COVID-19 on the Company’s business operations, including its duration and its impact on our wholesale partners’ retail stores, our own showrooms and overall demand, the Company is withdrawing the 2020 earnings guidance provided in its Form 8-K filed on March 9, 2020. The Company is not providing an updated outlook at this time.

### *Store Closures and Direct-to-Consumer Sales*

As of today, more than half of the Company’s wholesale doors are currently closed, and more may close over the coming weeks. Also, we have temporarily closed our three showrooms in California in compliance with locally mandated shelter-in-place requirements. We continue to serve customers through our digital channel, and demand for our premium, differentiated product offering online remains encouraging, as we continue to have sales higher than last year’s levels in this channel which provides us with immediate cash.

### *Remote Work, Manufacturing Operations and Cash Management*

Employees at the Company’s headquarter and certain other employees have been asked to work from home if possible. For roles that require employees to be on-site, such as our manufacturing facility and distribution center, we are practicing social distancing and increasing sanitizing standards. Additionally, the Company is taking advantage of its vertically integrated business model to adjust production to match demand which also reduces current labor costs. The Company also has deferred 25% of the cash compensation of Senior Executives and all the cash compensation of the Board of Directors. These decisions will be re-evaluated as new information becomes available regarding the spread of COVID-19 and its impact on the Company’s employees and operations. Other proactive steps also are being taken to carefully manage cash and quickly and prudently respond to the rapidly changing circumstances.

The information in this Item 7.01 and Exhibit 99.1 attached hereto are furnished to, but not “filed” with, the Securities and Exchange Commission (“SEC”) and shall not be deemed to be incorporated by reference into any of the Company’s filings with the SEC under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

### **Safe Harbor Statement**

Certain statements in this current report regarding future events and future financial performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties. Actual results may differ materially from those contemplated (expressed or implied) by such forward-looking statements, because of, among other things, the risks and uncertainties related to COVID-19 and the risk factors identified in the “Risk Factors” section of our Annual Report on Form 10-K filed with the SEC on March 9, 2020.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

### **EXHIBIT INDEX**

Exhibit Number	Description
99.1	<a href="#">Press Release dated March 26, 2020.</a>

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 26, 2020

**PURPLE INNOVATION, INC.**

By: /s/ Craig L. Phillips

Craig L. Phillips  
Chief Financial Officer



### Purple Innovation Withdraws 2020 Guidance Due to COVID-19 Impact

**Lehi, Utah, March 26, 2020** – Purple Innovation, Inc. (NASDAQ: PRPL) (“Purple”), a comfort innovation company known for creating the “World’s First No Pressure™ Mattress,” today announced it is withdrawing its full year 2020 revenue and adjusted EBITDA guidance due to the heightened uncertainty related to the full potential impact arising from the COVID-19 outbreak.

“Since we provided our outlook a couple of weeks ago, COVID-19 has rapidly spread throughout the U.S.,” said Joe Megibow, CEO of Purple Innovation, Inc. “In response to this quickly evolving situation, several states have mandated that all non-essential businesses close temporarily to slow the spread of the virus. As of today, more than half of our wholesale doors are currently closed, and more may close over the coming weeks. In compliance with the mandated shelter-at-home decision in California, we have temporarily closed our three showrooms in that state. We continue to serve our customers through our digital channel, and demand for our premium, differentiated product offering online remains encouraging. Our year-to-date direct to consumer business remains at a level above last year’s same time-period sales, providing immediate cash for our operations. However, to adapt to the expected temporary decline in wholesale and our own showroom demand, the Company has taken advantage of its vertically integrated business model to adjust its production schedule to match current demand which also reduces our current labor costs. Further, all of the Company’s Senior Executives have deferred 25% of their cash compensation and the Board of Directors has deferred its cash compensation during this period of uncertainty. It is difficult to predict how long this unprecedented pandemic will persist and its full impact, and due primarily to the uncertainty and current downturn in brick and mortar sales, we’ve decided to withdraw our 2020 guidance.”

Megibow continued, “The health and wellbeing of our team members is our top priority. To safeguard our employees and communities, we have enabled employees to work from home where possible. For roles that require employees to be on-site, such as our manufacturing facility and distribution center, we are practicing social distancing and increasing sanitizing standards.” In response to the uncertainty that exists, Mr. Megibow stated, “To ensure business continuity, we are taking proactive steps to carefully manage cash and be able to respond quickly to circumstances that change daily. I am confident in the resiliency of our organization to manage through the challenges facing our business and industry and emerge stronger from these unprecedented times.”

#### About Purple

Purple is a digitally-native vertical brand with a mission to help people feel and live better through innovative comfort solutions. We design and manufacture a variety of innovative, premium, branded comfort products, including mattresses, pillows, cushions, frames, sheets and more. Our products are the result of over 25 years of innovation and investment in proprietary and patented comfort technologies and the development of our own manufacturing processes. Our proprietary gel technology, Hyper-Elastic Polymer®, underpins many of our comfort products and provides a range of benefits that differentiate our offerings from other competitors' products. We market and sell our products through our direct-to-consumer online channels, traditional retail partners, third-party online retailers and our owned retail showrooms. For more information on Purple, visit [purple.com](http://purple.com).

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#### **Forward Looking Statements**

Certain statements made in this release that are not historical facts are “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements include but are not limited to statements about our outlook and expectations for our financial results for the fiscal year ended December 31, 2020, including EBITDA, adjusted EBITDA, net revenue and gross margin rate, our ability to create sustained profitability and shareholder value, the performance of our digital channel, cash generated by our direct-to-consumer business, our ability to manage cash and respond to changing circumstances, and the effects of and our responses to the COVID-19 outbreak. Forward-looking statements provide current expectations or forecasts of future events or determinations. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Factors that could influence the realization of forward-looking statements include the risk factors outlined in the “Risk Factors” section of our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 9, 2020. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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